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Second extension of the first country cooperation framework for Eritrea

Note by the Administrator

Period of extension:
1 January 2001 to 31 December 2001

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I. Background and justification

1. The first country cooperation framework (CCF) for Eritrea for the period 1997 to 1999 was approved by the Executive Board at its second regular session 1997. A one-year extension (beginning January 2000) was approved in 1999 to enable UNDP to sustain the national economic policy framework and programme for 1999-2001 and to harmonize its programming period with that of UNICEF and UNFPA (ending 2000).

2. In May 1998, a border dispute between Eritrea and Ethiopia erupted into an armed conflict that has since continued to escalate. This conflict and the resultant humanitarian emergency have had a slowing down effect on the development activities supported by UNDP. An agreement on the cessation of hostilities signed between the two countries in June 2000 is still holding. On 15 September 2000, the United Nations Security Council approved the deployment of a peacekeeping force beginning in November. United Nations observers arrived earlier.

3. In 1999, the United Nations country team reached an agreement with the Government to complete the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) process by the end of 2000. To do so, they also agreed to harmonize their programming periods as of January 2002. In the year 2001, each agency will prepare its country programme based on the UNDAF.

4. The CCA is well under way; the CCA document should be finalized in November 2000. The UNDAF, however, is expected to be ready by January 2001.

5. The UNDP country review, previously planned for July 2000 but postponed as a result of the breakout in May of a new round of hostilities between Eritrea and Ethiopia, is now scheduled to take place in February 2001.

6. The Government and UNDP are now requesting a further one-year extension of the CCF through December 2001. The present extension will enable UNDP to: (a) harmonize its programming period with those of other resident United Nations organizations; (b) prepare the new CCF on the basis of the UNDAF; and (c) conduct the country review in February 2001 and address lessons learned in the new programming process.

7. The objectives of the first CCF were to promote human resource and institutional capacity-building in the context of four broad thematic areas: (a) governance and democratization; (b) area-based development and decentralization; (c) natural resource and environmental management; and (d) gender in development. These objectives remain valid for the extension period.

II. Objectives

A. Governance and democratization

8. The aim of UNDP support in this area is to assist the democratization process and the development of institutions for good governance. The programme focuses mainly on establishing an effective and efficient judicial system, improving the efficiency of the public sector, providing an institutional framework for effective decentralization, and supporting the electoral process.

9. The constitution drafting process, supported by UNDP, culminated in the ratification of the new Constitution by the National Assembly in 1997. With the recent resolution of the National Assembly to hold parliamentary elections by December 2001 and the reconstitution of a commission to draft electoral laws, UNDP is also expected to support the electoral process.

10. UNDP supported the Government in the drafting and translation into local languages of six legal codes: commercial, civil, civil procedure, penal, criminal procedures and maritime. UNDP has also been actively involved in the training of judicial personnel, including judges, prosecutors and court administrators. The drafting and translation of the codes will be finalized by the end of 2000. Other remaining activities include a court administration study and training of legal practitioners.

11. UNDP is the sole partner in the government public sector management programme (PSMP). Under the PSMP, a major functional analysis of the government sector was undertaken, leading to its restructuring/streamlining. A training-needs assessment for public servants was conducted and a training programme developed. This came in tandem with the establishment of the Eritrean Institute of Management (EIM) as a permanent training centre providing courses in financial, personnel and project management,

English language and computer proficiency. The EIM has recently been upgraded to provide six-month courses (to start in 2001), in addition to the original three-month courses.

12. The PSMP also supported a major study on decentralization which has led to the proclamation for the establishment of regional administrations. With the aim of strengthening the capacities of local government, the majority of subregions have been connected via voice, data and radio communication networks to other subregions and to regional offices. Connecting the remaining subregions is planned for 2001.

13. The programme also encouraged enterprise development by assisting in the restructuring of the Business Licence Office, enabling the office to reduce the time it takes to issue a licence from five to six months to less than one hour. Studies are currently under way to establish regional licensing offices.

B. Area-based development and decentralization

14. The main objective of UNDP assistance in this area is to support government efforts to develop and strengthen human resources at the local and community level in support of the government policy of decentralization.

15. Currently under formulation, with principal funding from the United Nations Capital Development Fund (UNCDF), is a programme for the development of social infrastructure in rural areas, as part of decentralized planning and management of service delivery.

16. In the framework of a recently approved recovery and rehabilitation programme, targeting war-affected communities, UNDP will implement area-based multisectoral recovery, rehabilitation and reintegration projects to revive the sustainable livelihoods of those communities.

17. A food-security project initiated in 2000 will continue to build the country's capacity at the community and local government levels. The aim is to integrate food security considerations in development planning and project design processes and thereby enhance household-level food security.

18. UNDP is also supporting the reintegration of Eritrean farmers deported from Ethiopia following the recent conflict. Through an area-based, participatory approach, the farmers, who were allotted farming land by the Government, are being helped to re-establish themselves through the provision of agricultural inputs and training. Training in improved food processing techniques and post-harvest management are also planned.

C. Natural resources and environmental management

19. The country office has been actively engaged in supporting: (a) the preparation and enactment of environmental legislation; (b) the strengthening of national capacities for the management of coastal marine and island (CMI) resources; (c) the establishment of environmental information systems; (d) the preparation and implementation of the national action plan (NAP) to combat desertification and the NAP on climate change; and (e) the promotion of wind energy.

20. In the area of environmental legislation, a draft interim law on marine policy and an oil contingency plan have been prepared. Legislative provisions for the implementation of CMI development, zoning plans and environmental impact assessment (EIA) guidelines are being formulated. To manage CMI resources, three community-based CMI conservation management areas are being established, while communities and staff of the relevant ministries are being trained in natural resource management and planning. An environment information system (EIS) has been set up and staff have been trained in information management and in the use of graphic information systems (GIS) and meta databases. In the area of wind energy, an information system was established in the Energy Research and Training Centre and staff have been trained in its use. A feasibility study on the applications of wind energy was also completed.

D. Promotion of gender in development

21. Although gender dimensions will be mainstreamed and will feature prominently in all programme areas, the country office has developed a separate programme to further the integration of

women in socio-economic life. The programme will promote women's access to productive assets and strengthen relevant institutions, such as the National Union of Eritrean Women (NUEW). UNDP provides capacity-building support to the NUEW to foster gender mainstreaming, advocate women's issues and influence policy formulation. One of this project's main activities is to assist the NUEW to establish capable institutions for the micro-financing of women beneficiaries. UNDP is also supporting the implementation of a NAP for the advancement of women.

E. Other areas

22. UNDP, in line with the overarching objective of human resource and institutional capacity-building, also provides key technical assistance in the areas of education, human settlements, industrial development, tourism and overall capacity development.

23. UNDP supports the education sector by providing expatriate teaching staff using a South-South cooperation approach. This has enabled the secondary school system and the University of Asmara to fill critical human resource gaps, while Eritrean nationals are being trained to assume the same functions. While the World Bank provides human resource support to tertiary education, UNDP supports the secondary level with other donors and is planning to support the tertiary level in order to strengthen the research capacity of the University of Asmara.

24. In the area of human settlements, key support was provided to the Urban Planning Department which resulted in the strengthening of its GIS capacity. A second phase of the project, focusing on the promotion of low-cost housing, is soon to be initiated.

25. In collaboration with the United Nations Industrial Development Organization (UNIDO), UNDP has supported the preparation of an integrated industrial programme for Eritrea. Under this programme, UNDP supports: (a) capacity-building efforts at the Ministry of Trade and Industry (MTI); (b) the establishment of an advanced management information system for MTI and other ministries in the economic decision-making sphere; (c) the strengthening of the Eritrean Standards Institute; (d) the setting up of a national export promotion agency; and (e) the development and rehabilitation of the Medeber micro-industrial area.

III. Recommendation

26. The Administrator recommends that the Executive Board approve the second one-year extension of the first CCF for Eritrea for a period of one year, from 1 January to 31 December 2001.

Annex

Resource mobilization target table for Eritrea (2000-2001)

(in thousands of United States dollars)

Source	*Amount*	*Comments*
UNDP regular resources		
Estimated carry-over	13 690	Includes carry-over of TRAC 1, TRAC 2 and the earlier AOS allocations
TRAC 1.1.1	9 544	Assigned immediately to country
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources
SPPD/STS	769	
Subtotal	**24 003**	
UNDP other resources		
Government cost-sharing	0	
Third-party cost-sharing	3 000	
Funds, trust funds and other	16 568	
Subtotal	**19 568**	
Grand total	**43 571**	

Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: AOS = administrative and operational services; TRAC = target for resource assignment from the core; SPPD = support for policy and programme development; STS = support for technical services.